

Dear Investor,

Thank you for being a member of our founders share class of Boothbay Absolute Return Strategies, LP ("BBARS"). We have been working hard for a long time to prepare for this launch and appreciate the vote of confidence. We launched with approximately \$83M. We asked a couple of you to delay your investment to accommodate the process of onboarding managers during our transition. This helped us optimize portfolio structuring.

#### Portfolio update

July started with approximately 24 managers on the Multi-Manager Multi-Strategy side of the business. Of those, 12 are quantitative strategies, (8 in equities, 3 in futures, 1 in FX) and 10 are long short fundamental managers. Additionally we have 2 managers we classify as "other". On the First Loss side of the business, there are approximately 17 managers totaling \$285M book size.

#### Operational update

We are currently using 5 prime brokers. They are UBS, Deutsche Bank, BNP Paribas, and Wells Fargo, with futures being traded at BAML (through Thales) and Advantage. We use so many because the decision of where to place a manager with a prime broker is based primarily upon referral source, best execution and margin for a particular strategy. We have worked diligently to establish these relationships for the new entities. Additionally, 'Boothbay Multi-Strategy Fund' switched its corporate status from an LP to an LLC on July 1, in order to be eligible for cross margin with 'Ignition Opportunity Fund, LLC'. All of this has slowed the process of onboarding new managers for the platforms.

As you are aware, we are rolling the first loss platform that we formerly managed for Freestone, under the name Ignition, into a new Ignition entity, (for which Boothbay is the General Partner). On July 1, we moved 4 of the managers that were on the 'Ignition Opportunity Partners' first loss platform (of which Freestone is the GP) into the new 'Ignition Opportunity Fund, LLC' entity that is a subsidiary of BBARS. For the remaining portfolios at 'Ignition Opportunity Partners' we are getting exposure as the exclusive LP. It should take approximately 1-2 months to get all the portfolios from 'Ignition Opportunity Partners' into the new 'Ignition Opportunity Fund, LLC'. We will then have the proper capital efficiency that is a key component of our hybrid strategy. We will keep you updated on our progress.

#### Onboarding

We have approximately 8 managers that are not yet trading at 'Boothbay Multi-Strategy Fund, LLC' but will be later this month or early next month. We expect that to take us to approximately 70% - 80% of our targeted portfolio risk, up from about 40% where we started the month. Getting to 100% will be a function of finishing diligence on new managers, waiting for a few quantitative managers to finish Beta testing new strategies that we feel look promising, and the completion of obtaining [REDACTED] through cross margining of platforms.



On the first loss side at the 'Ignition Opportunity Fund, LLC', we are onboarding 3 new managers this month and have other managers in the pipeline.

Administrative

We have elected to go with Kaufman Rossin Fund Services, LLC as our administrator. Their ability to offer us daily reconciliations is substantially more than what we could get from our prior administrator at a similar cost. Onboarding over 45 accounts and 7 custodians is a lengthy process. While it is never ideal to switch administrators, long term this is necessary and will allow our back office to spend their time adding value rather than reconciling trades. Kaufman will likely need 20-22 business days to get the first monthly NAV out, and subsequently should be able to get it out by the 15<sup>th</sup>. We expect to have an estimate to you for the first month approximately 5 days after month end, with estimates on subsequent month's likely out within 2-3 business days of month end. We appreciate your patience during this transition period. As far as mid-month estimates, once Kaufman is fully integrated, we expect to be sending out mid-month estimates to those who require it starting in either August or September.

Please feel free to call me with any questions. [REDACTED] reachable at [REDACTED]

Sincerely,

Ari Glass